

## Message Text

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ACTION STR-04

INFO OCT-01 EUR-12 IO-13 ISO-00 STRE-00 AGRE-00 CEA-01

CIAE-00 COME-00 DODE-00 EB-08 FRB-03 H-01 INR-07

INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05

SS-15 ITC-01 TRSE-00 PRS-01 SP-02 OMB-01 FEA-01

NSCE-00 SSO-00 USIE-00 INRE-00 AF-10 ARA-06 EA-07

NEA-10 OIC-02 OPIC-03 /132 W

-----181050Z 120522 /17

O R 181002Z APR 77

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC IMMEDIATE 3543

INFO AMEMBASSY OTTAWA

USMISSION OECD PARIS

USDEL MTN GENEVA

LIMITED OFFICIAL USE EC BRUSSELS 3773

DEPT PASS ELECTRONICALLY STR FOR POMERANZ

E.O.11652: N/A

TAGS: EEC, ETRD

SUBJECT: GOVERNMENT PROCUREMENT

REF: (A) EC BRUSSELS 3092 (B) EC BRUSSELS 2654

1. MISSION OFFICER MET WITH DERISBOURG AND STRUXIANO TO REVIEW RESULTS OF APRIL 14 ARTICLE 113 COMMITTEE MEETING ON GOVERNMENT PROCUREMENT. MEETING RESULTED IN COMMON EC POSITION ON SEVERAL ARTICLES OF DRAFT OECD CODE. THESE ARE AS FOLLOWS: TRANSPARENCY, ARTICLES 18, 27, 33 AND 40; TIMING OF INVITATIONS TO TENDER, ARTICLE 20; PUBLICATION OF INVITATIONS TO BID, ARTICLE 15; OPENING OF BIDS, ARTICLE 27; AND OFFSETS, ARTICLE 32.

2. DERISBOURG CHARACTERIZED THESE POSITIONS AS SERIOUS,  
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CONSTRUCTIVE COMPROMISES. ALL CHANGES, HE SAID, APPROACH THE US POSITION. NO CHANGE REPRESENTS A HARDENING OF THE EC POSITION. HOWEVER, THE 113 COMMITTEE INSTRUCTED DERISBOURG NOT TO GIVE OUT THE EC POSITION (AS PROMISED IN REFS) OR ENGAGE IN BILATERAL TALKS ON THEIR PROPOSALS WITHOUT ASSURANCES THAT THEY WILL BE DISCUSSED IN OECD.

3. PART OF PROBLEM, HE EXPLAINED, WAS THAT MEMBER STATES AND COMMISSION ARE WAITING TO FIND OUT HOW THE NEW US ADMINISTRATION PLANS TO HANDLE GOVERNMENT PROCUREMENT NEGOTIATIONS. DERISBOURG HOPES THAT VISIT OF STR STRAUSS WILL ANSWER THIS BY INDICATING USG PRIORITIES IN MTN.

4. CONTRARY TO PREVIOUS INDICATIONS (REFS), TREATMENT OF LDCS WOULD NOT FIGURE IN ANY EC PLANS FOR AN OECD AGENDA. MEMBER STATES ARE APPARENTLY UNPREPARED OR UNWILLING TO FOCUS ON THE ISSUE AT THIS MOMENT.

5. DERISBOURG SAID THAT THE CANADIAN DRAFT WAS ALSO EXCLUDED AS A POSSIBLE OECD AGENDA ITEM RECOGNIZING THE ADAMANT STANCE OF CANADIANS AGAINST DISCUSSING THEIR PAPER IN OECD. BOTH TREATMENT OF LDCS AND THE CANADIAN PAPER COULD, HOWEVER, BE SUBJECTS FOR BILATERAL AND PLURILATERAL DISCUSSIONS.

6. INITIAL MEMBER STATE REACTION TO THE CANADIAN DRAFT (THEY HAD ONLY TIME TO READ IT OVER DURING LUNCH) HAS BEEN UNIFORMLY NEGATIVE. DERISBOURG SAID SEVERAL MEMBER STATES DESCRIBED THE DRAFT AS QUOTE PURE PROVOCATION UNQUOTE. DERISBOURG AND STRUXIANO, HOWEVER, FEEL DIFFERENTLY. ALTHOUGH THEY FELT SECTIONS ON COVERAGE AND EX-POST PUBLICITY ARE UNACCEPTABLE, THEY RATHER LIKE THE GENERAL EDITING JOB AND SOME OF THE PROPOSALS ON TRANSPARENCY AND DISPUTE SETTLEMENT.

7. COMMENT: DERISBOURG CLEARLY FEELS UNCOMFORTABLE WITH LACK OF LEVERAGE HE HAS TO GET OECD TRADE COMMITTEE WORKING PARTY TO LIMITED OFFICIAL USE

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RECONVENE. PUSHED BY THE MEMBER STATES, THE COMMISSION PREFERS TO BACK AWAY FROM THE BILATERAL APPROACH WHICH WAS AGREED TO BY MAJOR PARTICIPANTS, BUT WHICH DERISBOURG PROBABLY FEARS WILL BE USED AS A CANADIAN/US TACTIC TO KEEP DISCUSSIONS OUT OF OECD. JOHNSTON

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NNN

## Message Attributes

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**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Disposition Date:** 22 May 2009  
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**Disposition History:** n/a  
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**Original Handling Restrictions:** n/a  
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**Reference:** 77 EC BRUSSELS 3092, 77 EC BRUSSELS 2654  
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**Review Markings:**  
Margaret P. Grafeld  
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